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March 2, 2021

**Via ECF**

Hon. John P. Cronan  
United States District Court  
Southern District of New York  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl St., Room 1320  
New York, NY 10007-1312

Re: *In re Luckin Coffee Inc. Sec. Litig.*, No. 1:20-cv-01293-JPC-JLC (S.D.N.Y.)

Dear Judge Cronan:

We are co-lead counsel for Lead Plaintiffs in this Action, Sjunde AP-Fonden and Louisiana Sheriffs' Pension & Relief Fund ("Lead Plaintiffs"). We write on behalf of Lead Plaintiffs and Defendant Luckin Coffee Inc. ("Luckin" or the "Company") to respectfully submit the accompanying Stipulation and [Proposed] Order Regarding Provisional Class Certification for Settlement Purposes. As explained further below, Lead Plaintiffs and Luckin have agreed to the provisional certification of the Class's claims against Luckin to enable them to attempt to reach a resolution of these claims in light of rapidly moving developments affecting the Company.

On July 10, 2020, a provisional liquidation proceeding concerning Luckin was commenced in the Grand Court of the Cayman Islands. Later that month, the Cayman court appointed Joint Provisional Liquidators to try to negotiate a resolution of the claims of Luckin's creditors. On January 29, 2021, the Joint Provisional Liquidators disclosed that they had reached an agreement in principle with holders of Luckin's convertible bonds and would seek to resolve the claims of investors in the Class in this Action. Then, on February 4, 2021, the Honorable Mary Kay Vyskocil in this District approved a consent decree between Luckin and the Securities and Exchange Commission under which Luckin agreed to pay a \$180 million civil penalty for violations of the Securities Exchange Act of 1934. *See SEC v. Luckin Coffee Inc.*, No. 1-20-cv-10631, Final Judgment as to Defendant Luckin Coffee Inc., ECF No. 14 at \*4 (S.D.N.Y. Feb. 4, 2021). The

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amount of the civil penalty will be offset by any amount Luckin pays its security holders, including the Class in this action, under any scheme of arrangement approved by the Cayman court. *See id.* at \*4-5. Most recently, on February 5, 2021, Luckin's Joint Provisional Liquidators commenced a proceeding under Chapter 15 of the U.S. Bankruptcy Code to recognize the Cayman provisional liquidation proceeding as a foreign main proceeding in order to seek certain protections under the U.S. Bankruptcy Code. The U.S. bankruptcy proceeding is pending before Bankruptcy Judge Martin Glenn in this District. *See In re Luckin Coffee Inc. (In Provisional Liquidation)*, No. 21-10228 (MG) (Bankr. S.D.N.Y.).

The Class of investors in Luckin's American Depository Shares in this Action is among Luckin's largest creditors. Accordingly, the Joint Provisional Liquidators have recently been in communication with Lead Counsel about reaching a resolution of the Class's claims against Luckin. Lead Plaintiffs and Luckin believe that the proposed provisional certification of the Class will enable these discussions to proceed further, and is the most effective and efficient way, for both the parties and the Court, to effect a resolution of the Class's claims against Luckin. Having the Class certified will provide Lead Plaintiffs and Luckin with the clarity they need to resolve these claims with the Joint Provisional Liquidators. Class certification will not prejudice any party, and Lead Plaintiffs believe, and Luckin has agreed to stipulate (subject to reservations of rights reflected in the Stipulation and [Proposed] Order), that the requirements for class certification are met here. Accordingly, Lead Plaintiffs and Luckin respectfully request that the Court "So Order" the Stipulation and [Proposed] Order. Should Your Honor have any questions about the Stipulation and [Proposed] Order, counsel for Lead Plaintiffs and Luckin would be happy to make themselves available for a conference call with the Court.

Respectfully submitted,

/s/ Salvatore J. Graziano

Salvatore J. Graziano

/s/ Sharan Nirmul

Sharan Nirmul

*Co-Lead Counsel for Lead Plaintiffs and the Putative Class*

cc: All Counsel of Record (via ECF)